

#### STATEMENT OF

## JOHN CABANISS ASSOCIATION OF INTERNATIONAL AUTOMOBILE MANUFACTURERS

#### **BEFORE THE**

# SUBCOMMITTEE FOR CONSUMER PROTECTION, FOREIGN COMMERCE AND TOURISM COMMITTEE ON COMMERCE, SCIENCE AND TRANSPORTATION UNITED STATES SENATE

### **JULY 30, 2002**

Thank you for the opportunity to testify before the Subcommittee regarding vehicle service information related issues. My name is John Cabaniss. I am the Director for Environment & Energy at the Association of International Automobile Manufacturers. For the past two years, I have had the privilege of serving as the chairman of the National Automotive Service Task Force, a cooperative project involving the auto industry, the automotive service industry, and the equipment and tool industry.

<sup>&</sup>lt;sup>1</sup> AIAM members include American Honda Motor Co., American Suzuki Motor Corp., Aston Martin Lagonda of North America, Inc., Hyundai Motor America, Isuzu Motors America, Inc., Kia Motors America, Mitsubishi Motor Sales of America, Nissan North America, Peugeot Motors of America, Saab Cars USA, Societe Anonyme Des Usines Renault, Subaru of America, and Toyota Motor Sales, U.S.A. AIAM also represents original equipment suppliers and other automotive-related trade associations. AIAM members have invested over \$20 billion in new production and distribution capacity in the United States, creating tens of thousands of high-skill, high-wage jobs across the country in manufacturing, supplier industries, ports, distribution centers, headquarters, R&D centers, and automobile dealerships.



In my presentation today, I will briefly describe who is involved in the National Automotive Service Task Force project, what activities are under way, and the progress that has been made and that is continuing. After hearing this update, I hope you will agree that the Task Force is the proper venue for addressing service issues, and that legislation in this area is not needed.

To begin, I would point out that motor vehicle manufacturers consider the automotive service industry our partner in providing vehicle service and repairs to our mutual customers, the driving public. Moreover, auto manufacturers do not intentionally withhold service information from the auto service industry. To do so would be contrary to their best interests. Automakers want their customers to have a positive driving experience, including the ability to obtain effective service no matter where or when their vehicles need maintenance. Automakers have every incentive to make sure that the auto service industry has the information, training, and tools to maintain and repair vehicles. Historically, 70-80 percent of vehicle service and repairs are performed in non-dealer shops. This level has been constant for many years and is not expected to change.

During the past decade, the auto industry has had to address the challenge of managing the growing volume of information needed to maintain and repair modern vehicles. This necessitated changes in communications channels and techniques. As these changes have been made, some service providers have experienced difficulty in obtaining the necessary information. For the most part, however, these difficulties have involved questions about *where and how* to access the information rather than its actual availability.



The origin of the National Automotive Service Task Force dates back to 1999 when the Arizona legislature was considering a vehicle service information bill. During 1999 and 2000, the auto industry and the Arizona auto service industry worked together to investigate allegations of manufacturers' withholding information. It soon became apparent that the real issue for shops and technicians was accessibility, that is, knowing where to get the information and tools they need. It was also clear that a continuing forum for dialogue between parties on these issues was needed at the national level. Therefore, in November 2000 the National Automotive Service Task Force was established jointly by the auto industry and the auto service industry. The mission of the Task Force is to facilitate the identification and correction of gaps in the availability and accessibility of automotive service information, training, diagnostic tools and equipment, and communications to automotive service professionals.

At the outset, the Task Force recognized three basic realities. First, that despite the best efforts of everyone involved, some gaps in service information, training, and tools are inevitable. Second, that the rapid pace of changes in vehicle technology, which will clearly continue, exacerbates this problem. And, third, that a continuing forum for open communication and cooperation is the best way to address issues.

The Task Force has made significant and sustained progress. The first issue the Task Force addressed was the issue of accessibility. In May 2001 an Internet site was opened on the International Automotive Technicians Network website to provide a ready reference for all service technicians requiring service information and tools from auto manufacturers. A special feature of this site is the inclusion of a complaint form for a technician to use if he/she cannot



locate the information being sought. This reference information is updated several times each year. The latest update was posted on July 1, 2002. This reference is broadly publicized by Task Force participants.

At the Task Force semi-annual meeting in October 2001, another major step forward occurred when twenty auto manufacturers announced that they had signed a "Letter of Intent" to demonstrate their commitment to the Task Force cooperative process. This commitment, which formalizes what many automakers are already doing, is that:

By January, 2003, the manufacturers intend to make available to independent technicians the same diagnostic and repair capabilities by making available diagnostic tools (and tool information), service information, and training materials that they currently make available to their franchised dealers for all 1996 and newer cars and light trucks.

All manufacturers are moving ahead on this basis, and most are covering additional model years on their websites and including directories for information for earlier years.

The success of the Task Force over the past two years is due to the participation of a wide range of parties. We are fortunate to have a "Who's Who" of auto service organizations participating, including the Automotive Service Association, the Automotive Aftermarket Industry Association, The Automotive Service Councils of California, the Service Technicians Society, the Alliance of Automotive Service Providers, the International Automotive Service Technicians Network, and the Equipment & Tool Institute, to name just a few. Altogether we have 78 individuals representing 63 organizations participating in the Task Force, and participation is growing. The complete list of participants and other information is available at the Task Force website (www.nastf.org).



These are just a few examples of the progress that is being made in the Task Force. In addition to the Service Information Committee, the Task Force has a Training Committee, an Equipment and Tool Committee, and a Communications Committee. The Training Committee is focused on ensuring that all technicians have access to factory equivalent training. The Equipment and Tool Committee is focused on improving the availability of generic tools for both dealer and non-dealer shops. Finally, the Communications Committee is focused on getting information out to shops and technicians about the Task Force project, how to obtain the tools and service information they need, the progress the Task Force is making, how to get involved and provide input, and how they can otherwise help with the project.

In conclusion, the auto industry is committed to the National Automotive Service Task Force. We believe that this Task Force is the proper venue for continuing to address service related issues, and it is making significant and sustained progress in improving the availability and accessibility of information, training, and tools to automotive service professionals. Therefore, we believe that legislation in this area is unnecessary.

Thank you. I would be pleased to answer any questions.